## STATEMENT OF COMMISSIONER JONATHAN S. ADELSTEIN FCC HEARING ON LOCALISM PORTLAND, MAINE

## **JUNE 28, 2007**

I am thrilled the FCC is finally holding its long-awaited localism hearing in the beautiful port city of Portland. Today, we are here to learn about how radio and television broadcasters are serving you – how are they living up to their obligations to the community, and providing you with local news and information.

I would like to thank Governor Baldacci and Maine's congressional delegation – Senators Snowe and Collins and Representatives Allen and Michaud – for their leadership and strong support of today's public hearing. Thanks to organizations like Common Cause and Free Press for getting the word out, and to local broadcasters and newspaper owners like the Blethen family who remains committed to quality journalism and the local community. I'm also grateful to all the panelists for agreeing to share their experiences with us today. Most importantly, thank you to everyone here for coming out to participate.

The Founding Fathers taught us that freedom and democracy do not come easy. As Thomas Jefferson said, "the price of freedom is eternal vigilance." Today, that is also the price for meaningful reform and media democracy in America. Coming from Washington, D.C., we hear a lot of talk these days about promoting freedom and democracy around the world. How about improving the quality of freedom and democracy right in the America, and right here in Portland and the greater New England?

We need you to tell us about what the local media in Portland and greater New England is doing right, what areas need improvement, and specifically what we on the Commission can do to help. Our first and foremost obligation is to promote the public interest. You are the ones that are directly affected by the decisions we make about what specific obligations broadcasters should have to the communities that we license them to serve. Your opinion really matters because the law says it is all about what is best for you, not the media giants we oversee.

While few Americans are familiar with the term "localism," most understand that providing "local" service to a "local" community is the essential purpose of broadcast radio and TV. From its inception, broadcasting in America was always a local medium. Even today, the FCC continues to license valuable public airwaves – for free – to broadcasters, in exchange for service to local communities. Localism is, therefore, the central obligation of every broadcast licensee to air programming that is relevant and responsive to the local community's interests, tastes and needs. So we are here to learn your answer to a basic question: are broadcasters providing you with the local service you deserve?

I want to know whether broadcasters are integrated into the activities of local communities, whether their coverage is serving your local community needs and how they can better serve you. This is much more than Toys-for-Tots or the annual blood drive, as important as these initiatives are. Residents of Portland, like Americans across the country, are passionate about their news, information, and entertainment programming. Overwhelmingly, local communities rely on local media for important news and information about local government, public safety, education, and religious and community affairs.

The problem is that in recent years, "breaking news" has been replaced with "breaking gossip." Serious coverage of local and state government has diminished. Quality children's programming has been short-changed. And while news operations say they have to slash resources, some are offering up to one million dollars for an interview with Paris Hilton. Equally alarming, real investigative journalism and thoughtful reporting have given way to an "if it bleeds, it leads" mentality.

Big city executives sitting hundreds of miles away can scarcely make decisions about the news and information your community needs better than local broadcasters and reporters. Few foreign owners can grasp the full essence of your community without living, breathing and being an integral part of Portland. That requires personal commitment and financial investment.

Sadly, today, quality journalism is too-often sacrificed to meet Wall Street quarterly projections. Owners of multiple media outlets lose incentive to invest in independent and competitive news operations in the same market. The Commission's own study, which was originally buried until Senator Boxer demanded the FCC to publicly release it, showed that locally owned TV stations provided more local news. And while the Commission has failed to complete a similar study of radio, we hear across the country that centralized playlists and payola are shutting out local musicians, and unmanned radio stations have replaced local DJs.

Historically, the Commission has looked for ways to promote localism in broadcasting to ensure that broadcasters were accountable and serving the public interest. Since the 1980s, the Commission has gutted those protections and embarked on destructive path to treat television like "a toaster with pictures."

With the encouragement of the broadcasting industry, the Commission has systematically removed you – the public – from the license renewal process and other meaningful points of interaction between broadcasters and the communities that they are licensed to serve. For example, broadcast stations are permitted to maintain main studios and their public files well beyond communities of license, so you cannot effectively monitor the programming of your local broadcaster. Today, few broadcasters have citizen agreements with local community organizations. Few broadcasters hold meetings with members of the community to ascertain the community's interests and needs. Enforceable public interest obligations that required broadcasters to maintain logs of programming that is responsive to local, civic, national or religious concerns have been

decimated. And, the real license renewal process conducted by the FCC has been dwindled down to a postcard, rubber-stamp process.

The end result is that today many stations are unattended and operated from remote locations, residents are discouraged from monitoring a station's performance, and dialogue between the station and its community is too-often non-existent. Frankly, the FCC has failed to protect the interests of the American people.

Well, I am here to tell you that I do care. I am concerned that there is not a single locally-owned and operated commercial TV station here in Portland. I am also concerned that there is only one local owner of the full power commercial radio stations in Portland. This was not the case a decade ago. Portland – Maine's cultural, social and economic capital – used to be able to boast that the three major TV network affiliates were locally owned, and one of the owners was female. Studies show that the ownership of Maine media is already highly concentrated, and if further consolidation is allowed, it will get dangerously more so.

In 2003, the FCC issued regulations that relaxed media ownership restrictions, which allowed one media company to own, in a single community, up to three TV stations, eight radio stations, the cable system and the only daily newspaper. Since 2003, the Order was rejected by Congress, the courts, and the public. Three million citizens nationwide, of all ideological stripes, expressed their opposition to the decision. In 2004, the U.S. Court of Appeals for the Third Circuit sent the rules back to us, chastising the FCC for its failure to consider how the proposals would affect minority ownership and localism.

This is why we need to hear from you. Now is the time, more than ever, for you to come out to speak to all of us, so thank you for taking part. Currently, we are in the process of reviewing our localism rules and public interest obligations, and we are reaching out to you, the people who are directly impacted by our rules, to better understand how the nature of the media is affecting you in your daily lives.

We need to know how the Commission's rules have affected your local media. We need to know what we can do in our new rulemaking to ensure that your community's interests are better served. I look forward to learning what you have to tell us.